

**INSTRUCTION SHEET
ADDITIONS TO MILWAUKEE CITY CHARTER**

SUMMARY

This supplement incorporates changes to the Milwaukee City Charter enacted by the following Common Council file:

180603 A charter ordinance relating to the employees' retirement system.

<u>Section Affected</u>	<u>Action</u>	<u>File Number</u>	<u>Effective Date</u>	<u>Remove Pages</u>	<u>Add Pages</u>
Remove <u>old</u> MEMO (Suppl. #186)				v-vi	v-vi
36-15-2-a-3	rp	180603	4/29/2019	363-366	363-366
36-15-2-c-0	am	180603	4/29/2019	"	"
36-15-2-c-1	rp	180603	4/29/2019	"	"
36-15-2-c-2	rp	180603	4/29/2019	"	"
36-15-2-c-3	rp	180603	4/29/2019	"	"
36-15-7-a	am	180603	4/29/2019	"	"
36-15-15-b	am	180603	4/29/2019	"	"

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For questions concerning the content of the Milwaukee Code or Ordinances contact the Legislative Reference Bureau, Research Section, (414) 286-2297.

Abbreviations:

am=amended
cr=created

ra=renumbered and amended
rc=recreated

rn=renumbered
rp=repealed

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MEMO

If all supplements have been properly inserted, this book contains all actions of the Common Council through February 26, 2019.

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d. The annuity and pension board is authorized to perform administrative work necessary to implement the provisions of s. 34-06, provided it is compensated by the city for the actual cost of the work performed.

(Par. d cr. File #041513, March 16, 2005; eff. May 31, 2005.)

e. Policemen's Annuity and Benefit Fund.

e-1. The annuity and pension board is authorized to exercise all powers and duties vested in the policemen's annuity and benefit fund board of trustees by ch. 35.

e-2. The annuity and pension board is authorized to invest the assets of the policemen's annuity and benefit fund provided it accounts for the assets separately from the assets of the combined fund.

e-3. All cost and expenses incurred by the annuity and pension board to manage, administer, or operate the policemen's annuity and benefit fund shall be paid by the city of Milwaukee.

e-4. The city of Milwaukee shall indemnify and hold harmless the board members, officers, directors and employes of the annuity and pension board and the employes' retirement system from any liability, damages, or injury arising out of the management, administration, investment or operation of the policemen's annuity and benefit fund.

e-6. The annuity and pension board annually shall conduct a meeting, or direct its staff to conduct a meeting, to report on the status of the fund and answer any inquiries of retirees or widows. The annuity and pension board shall give all retirees and widows at least 30 days' notice of the time and location of the meeting. *(Par. e cr. File #050744, Oct. 18, 2005; eff. Jan. 3, 2006. Par e-5 rp. File #151869, June 14, 2016; eff. August 30, 2016.)*

2. MEMBERSHIP. The membership of the board shall consist of the following:

a-1. Three members to be appointed by the president of the common council subject to the confirmation of such common council for a term of 4 years.

a-2. Commencing in 1997, when terms expire for members appointed by the common council president, members shall be appointed for terms expiring the 3rd Tuesday of April 2000. Thereafter the common council president shall appoint members for a term of 2 years within 60 days of the commencement of a new common council term, and then within 60 days following 2 years of the commencement of a common council term. If a vacancy occurs in a board position, the president shall appoint within 60 days after the vacancy occurs.

b. The city comptroller ex-officio.

c. Three employe members who shall be members of the retirement system and who shall be elected by the members of the retirement system for a term of 4 years according to such rules and regulations as the board shall adopt to govern such election.

d. One member to be elected by the vote of persons who had been members but who have retired from the retirement system and receive a retirement allowance, to serve for a term of 4 years. The election of such person shall be conducted in the same manner as is the election of an employe member under par. c except, however, that only retirees as herein described shall be allowed to vote in such election. Nothing herein contained shall preclude any member elected to the board from succeeding himself or herself. *(Sub. 2 am. Ch. Ord. 486, File #79-869-a, Mar. 13, 1980. Sub. 2-a ra. to 2-a-1 File #960237, June 4, 1996; eff. Aug. 20, 1996. Sub. 2-a-2 cr. File #960237, June 4, 1996; eff. Aug. 20, 1996. Sub. 2-c am. File #960237, June 4, 1996; eff. Aug. 20, 1996. Sub. 2-d am. File #960237, June 4, 1996; eff. Aug. 20, 1996. Sub 2-a-3 cr. File #131162, Dec. 17, 2013; eff. March 10, 2014. Sub 2-c-0 am. File #131162, Dec. 17, 2013; eff. March 10, 2014. Sub 2-c-1 to 3 cr. File #131162, Dec. 17, 2013; eff. March 10, 2014. Sub 2-a-3 rp. File #181603, Feb. 26, 2019; eff. April 29, 2019. Sub 2-c-0 am. File #181603; Feb. 26, 2019; eff. April 29, 2019. Sub 2-c-1 to 3 rp. File #181603, Feb. 26, 2019; eff. April 29, 2019.)*

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3. VACANCY. If a vacancy occurs in the office of a board member, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

4. OATH OF OFFICE. Each member of the board shall, within 10 days after his appointment or election, take an oath of office that, so far as it devolves upon him, he will diligently and honestly administer the affairs of the board and that he will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the retirement system.

5. DECISION VOTE. Each member of the board shall be entitled to one vote in the board. A majority of members present shall be necessary for a decision by the members of the board at any meeting of the board. (Sub. 5, am. Ch. Ord. 544, File #84-1168, Dec. 11, 1984.)

6. RULES AND REGULATIONS. Subject to the limitations of this act and with the advice of the city attorney the board shall, from time to time, establish rules and regulations for the administration of the funds created by this act, for the transaction of its business and in order to carry out the provisions of this act. All rules and regulations promulgated by the board shall be filed with the city clerk within 30 days after they have been approved by the board and revocation of such rules or amendments thereto shall be filed in the same manner.

7. OFFICERS AND EMPLOYEES; EXPENSES. The board shall elect from its membership a chairman and vice chairman and shall by a majority vote of all its members appoint a secretary, who may be, but need not be, one of its members. It shall appoint an executive director and shall engage such actuarial and other service as shall be required to transact the business of the retirement system. The compensation of all persons engaged by the board and all other expenses of the board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the board shall approve. (Sub. 7 rn. to 7-0, File #950077, July 14, 1995; eff. Sept. 27, 1995.)

a. It shall be the duty of the secretary and executive director of the retirement system to maintain records respecting the amount of system funds invested in common stocks and preferred stocks and such secretary and executive director shall function under direction

of the annuity and pension board and shall be appointed by such board under civil service procedure with civil service status; the incumbent secretary and executive director shall have civil service status with the enactment of this section. In the event of a vacancy in the office of secretary and executive director, such office shall be filled by the board under civil service procedures and thereafter such secretary and executive director shall have civil service status, subject to the rules and regulations thereof. An executive director hired pursuant to an exemption granted by the board of city service commissioners shall continue to serve unless dismissal is approved by 6 board members voting in open session. (Par. a cr. File #950077, July 14, 1995; eff. Sept. 27, 1995. Par. a am. File #131162, Dec. 17, 2013; eff. March 10, 2014. Par. a am. File #181603, Feb. 26, 2019; eff. April 29, 2019.)

b. The assistant secretary and executive director shall fulfill the duties of the secretary and executive director in his or her absence for any reason, and in the event a vacancy shall occur in the office of assistant secretary and executive director the position shall be filled by the board under civil service procedures, and he or she shall have civil service status under the rules and regulations applicable thereto. (Par. b cr. File #950077, July 14, 1995; eff. Sept. 27, 1995.)

8. DATA REQUIRED. The board shall keep in convenient form such data as shall be necessary for actuarial valuation of the various funds of the retirement system, and for checking the experience of the system.

9. RECORDS. The board shall keep a record of all its proceedings which shall be open to public inspection. It shall publish annually a report showing the fiscal transactions of the retirement system for the preceding year, the amount of the assets of the system and the financial condition of the system as disclosed by an actuarial valuation of the retirement system. The board shall by resolution determine which of its records are obsolete or no longer required and direct the secretary of such board to destroy those records; provided, however, that no records shall be destroyed unless the secretary shall certify that it is no longer required in the conduct of the board's business or essential to the safeguarding of records with respect to members' or retired members' rights or benefits,

and provided further that in no event shall any record be destroyed until it has been in existence for more than 7 years.

10. LEGAL ADVISOR. The city attorney shall be the legal advisor of the board.

11. CUSTODIAN OF FUNDS. The city treasurer shall be the custodian of the several funds of the retirement system and shall give up such bond for the proper performance of his duties as is required by the board. All payments from said funds shall be made by him only upon vouchers signed by 2 persons designated by the board. A duly attested copy of a resolution of the board designating such persons and bearing on its face specimen signatures of such person shall be filed with the treasurer as his authority for making payments upon such vouchers. No payment shall be made unless it has been authorized by the board. Nothing contained herein shall preclude the board from providing for custody by an appropriate entity of its funds and securities in the manner in which it deems prudent. *(Sub. 11 am. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

12. MEDICAL COUNCIL. The board shall designate a medical council to be composed of 3 physicians. If required, other physicians may be employed to report on special cases. The medical council shall arrange for and pass upon all medical examinations required by the retirement system, shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement, and shall report in writing to the board its conclusion and recommendations upon all the matters referred to it. Nothing contained in this subsection shall prevent the making of a certification by the medical panel of physicians of either the fire department or police department with respect to the operation of s. 36-05-3-c.

13. ACTUARY. The board shall designate an actuary who shall be the technical advisor of the board on matters regarding the operation of the funds created by the provisions of this act, and shall perform such other duties as are required in connection therewith.

14. PERIODIC VALUATIONS; TABLES AND RATES THEREON. At least once in each 5-year period the actuary shall make an actuarial investigation into the mortality, service and compensation experience of the members and beneficiaries of the retirement system, and shall make a valuation of the assets and liabilities of the funds of the system, and taking into account the results of such investigation and valuation, the board shall adopt for the retirement system such mortality, service and other tables as shall be deemed necessary. *(Sub. 14 rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

15. ANNUAL VALUATIONS. a. On the basis of such tables as the board shall adopt, the actuary shall make an annual valuation of the assets and liabilities of the funds of the retirement system. This annual valuation shall comply with Actuarial Standards of Practice and shall contain a certification from the board's actuary to that effect. For the purposes of the annual valuation, the actuary shall employ the individual entry-age normal actuarial cost method. *(Par. a ra. File #091274, Mar. 2, 2010; eff. May 18, 2010. Par. a am. File #170935, Nov. 28, 2017; eff. Feb. 13, 2018)*

b. Beginning with the valuation that determines employer contributions due and payable January 31, 2011, the actuary shall employ a 5-year asset smoothing period. The actuary shall calculate amortization of unfunded liability based on a level percentage of payroll amortization. The actuary shall apply a closed layered amortization method with amortization payments for each base increasing by 2% per year. The outstanding balance of the unfunded actuarial accrued liability as of January 1, 2018, shall be amortized over a fixed 25-year period. At each subsequent valuation date, any changes to the unfunded actuarial accrued liability arising from actuarial gains or losses shall be amortized over a fixed 15-year period, and any changes to the unfunded actuarial accrued liability arising from changes in assumptions, methods or plan provisions shall be amortized over a fixed 25-year period. Beginning with the valuation that determines employer contributions due and

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payable January 31, 2011, the board shall provide a copy of the final annual valuation, as certified by the board, to the mayor and the common council no later than August 15. No changes shall be made to this paragraph without an affirmative vote of the board of at least 5 of its members, and written certification from the board's actuary that such changes comply with Actuarial Standards of Practice. (*Par. b cr. File #091274, Mar. 2, 2010; eff. May 18, 2010. Par. b am. File #131162 Dec. 17, 2013; eff. March 10, 2014. Par. b am. File # 170935, Nov. 28, 2017; eff. Feb. 13, 2018. Par. b am. File #181603, Feb. 26, 2019; eff. April 29, 2019.*)

16. EXECUTION OF DOCUMENTS.

Whenever any document, record or paper requires the signatures of either the chairman of the board or the secretary or both, or the vice chairman in the absence of the chairman, such officers may execute the aforesaid documents on behalf of the board and the employees' retirement system by identifying themselves in the case of the chairman or vice chairman of the board as president or vice president of the employees' retirement system and in the instance of the secretary of the board as secretary of the employees' retirement system, and the executions made with that identification shall in all respects be deemed the execution for and on behalf of the board and of the employees' retirement system.

17. CONTRACT FOR FUND ADMINISTRATION. The board is authorized notwithstanding any other provision to the contrary, to enter into contracts with established trust companies who have been engaged in such trust business extensively for at least 25 years continuously or other similar established companies able to demonstrate sufficient fiscal experience and expertise and administrative capacity to undertake operations, investments and custody of pension and retirement funds and to exercise a trustee relationship over the fund so as to accept total responsibility, obligation, administration, investment and custodial services and serve as trustee of this fund. When such services are contracted for as provided for herein, members of the board shall be thereupon released from their obligations or liability under this act with respect to all functions, duties, responsibilities and obligations

which are undertaken by contract by such trust entity. The provisions of this subsection are vested and contractual as to members and beneficiaries of this fund. Contracts entered into pursuant to this subsection shall neither be impaired, abrogated or suspended during their duration by any collateral, indirect or direct procedures or actions and the rights herein provided for which are designated to protect the members and the beneficiaries of the fund and the integrity of such fund are in all respects vested, contractual and binding and shall not be altered, modified or impaired by subsequent action. (*Sub. 17 cr. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.*)

18. REVIEW. Any person, aggrieved within the meaning of ch. 68, Wis. Stats., by a determination of the board reviewable under ch. 68, Wis. Stats., may have such determination reviewed in accordance with the procedures established under ss. 68.08 to 68.13, Wis. Stats. (*Sub. 18 cr. Ch. Ord. 478, File #78-2302, Oct. 23, 1979.*)

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